

State of South Dakota

SEVENTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2003

176I0175

HOUSE BILL NO. 1166

Introduced by: Representative Adelstein and Senator Vitter

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding the recovery of
2 damages for dishonored checks.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. For the purposes of §§ 21-57-1 and 22-41-3.1, the term, dishonor, has the
5 meaning given in § 57A-3-502, but does not include dishonor due to a stop payment order
6 requested by an issuer who has a good faith defense to payment on the check. The term does
7 include a stop payment order requested by an issuer if the account did not have sufficient funds
8 for payment of the check at the time of presentment, except for a stop payment order on a check
9 found to be stolen.

10 Section 2. That § 22-41-3.1 be amended to read as follows:

11 22-41-3.1. The holder of an insufficient funds check or of a check on which a stop payment
12 order has been issued shall, before presenting it to the state's attorney for prosecution, serve a
13 notice of dishonor upon the writer of the check, by registered or certified mail, return receipt
14 requested. The holder of the dishonored check shall upon return of the receipt hold it for a
15 period of at least five days and upon the expiration of that period shall present the check with
16 the attached bank return, return receipt, and copy of the dishonor notice to the state's attorney



1 for prosecution.